



## SGX-ST Release

2 August 2007

### **RESPONSE TO QUERIES REGARDING BBSFF'S LOAN PORTFOLIO AND SECURITISATION ASSETS**

In view of the recent media attention on the United States' sub-prime mortgage market, Babcock & Brown Structured Finance Fund Limited ("BBSFF" or "the Company") wishes to make a clarification in relation to the Company's loan portfolio and securitisation assets.

BBSFF's loan portfolio and securitisation assets currently have no exposure to the United States' sub-prime residential mortgage market nor to its collateralised loan obligations ("CLOs") market.

BBSFF's securitisation assets are secured mainly against residential and commercial properties located in Australia and the United Kingdom. Two of its securitisation assets, Avoca VI and Avoca VII, are European CLOs which are backed by loans made to corporations.

Equally importantly, the Company is not exposed to margin calls on its debt facilities nor is its equity subject to investor redemptions.

The Company maintains its dividend guidance for the six months ending 31 December 2007 of at least 5.50 Singapore cents per share, as outlined in its SGX-ST announcement dated 15 May 2007.

BBSFF will release its first half 2007 financial results, along with a description of the performances of its loan portfolio and securitisation assets, on 14 August 2007.

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*Sponsorship statement: UBS AG, acting through its business group, UBS Investment Bank was the Issue Manager, Global Co-ordinator, Sole Bookrunner and Financial Adviser of the offering in respect of 323,460,000 ordinary shares of par value S\$0.01 each in the capital of BBSFF pursuant to the prospectus of BBSFF dated 12 December 2006.*

BABCOCK & BROWN  
STRUCTURED FINANCE  
FUND LIMITED

## **ENDS**

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### **About Babcock & Brown Structured Finance Fund Limited** (<http://www.bbstructuredfinance.com>)

Babcock & Brown Structured Finance Fund Limited (“BBSFF”) is a mutual fund company incorporated in Bermuda that provides investors access to a diversified portfolio of assets and economic exposures across three target sectors: operating lease assets, loan portfolio and securitisation assets, and alternative assets.

BBSFF is managed by Babcock & Brown Structured Finance Management Pty Ltd, a wholly-owned subsidiary of Babcock & Brown Limited, a global investment and advisory firm. BBSFF presents investors with an opportunity to invest in Babcock & Brown’s first listed fund which sources assets originated and identified by two of the five Babcock & Brown’s core business units, Operating Lease and Structured Finance.